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ABSTRACT

U.S.-related corporate trusts that are currently funding (or planning to fund) projects to promote change in South Africa are reviewed to guide support-seeking organizations in South Africa to appropriate sources of funds and to encourage donors to share information. Each write-up offers basic information on the trust's mission, objectives, board of trustees, and program areas. Two sections cover the following types of trusts: (1) operating trusts or foundations, e.g., the Equal Opportunity Foundation, Ford Motor Company-sponsored community trusts (Trust for Educational Advancement in South Africa, Algoa Bay Charitable Trust, and Pretoria Development Trust), Hexagon Trust, Human Resources Trust, IBM South Africa Projects Fund, Medtronic Africa Fund, Mobil Foundation, Music Shareholder Trust, and South African GE Educational Trust; and (2) examples of other trust-related mechanisms, e.g., a foreign company's trust (Volkswagon); an employees' trust (Delta Motor Corporation); and an evolving trust (Control Data Corporation). (SM)

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South African Information Exchange
Working Paper #5

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U.S.-Related Corporate Trusts in South Africa:

An Introduction and A Guide

Ann McKinstry Micou
May 1989

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● South African Information Exchange
Working Paper #5

● U.S.-Related
● Corporate Trusts
● in South Africa:

● An Introduction
● and A Guide

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U.S.-RELATED CORPORATE TRUSTS IN SOUTH AFRICA

INTRODUCTION

The Institute of International Education's South African Information Exchange has been engaged for over a year in the publication of working papers on existing and potential resources relating to South African needs and initiatives. These working papers are broad and descriptive, rather than in-depth and analytical. Their main purpose is to provide wider access to available and potential resources; ancillary goals are to promote networking, cooperation, and sharing of information on South Africa-related initiatives.

Some of the donor constituencies that the Information Exchange has already surveyed are U.S. foundations, U.S. professional associations, and U.S. colleges and universities, and U.S. companies operating in South Africa.

The primary target of these publications is the people and organizations in South Africa working toward a nonracial democratic society. They are also intended for individuals and institutions in the United States committed to this end.

This new survey looks at some of the U.S.-related corporate trusts that are currently funding--or planning to fund--projects to promote change in South Africa. Some of the companies in this survey have engaged in a form of disinvestment; others are still operating in the country.

Each write-up offers basic information on the trust's mission, objectives, board of trustees (affiliations are listed for purposes of identification only), and program areas. Section I contains descriptions of operating trusts; Section II provides examples of other trust-related mechanisms.

Readers are cautioned to scrutinize carefully the lists of program areas to avoid misinterpreting the trust's grant-making purposes. Because the information provided here is abbreviated, the user who has identified a likely source is advised to write to the trust for additional information on guidelines for application and criteria for selection before preparing a lengthy proposal.

This working paper does not seek to revisit the disinvestment debate. Its aim is to guide support-seeking organizations in South Africa to appropriate sources of funds and to encourage donors to share information.

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Section I: Operating Trusts or Foundations

EQUAL OPPORTUNITY FOUNDATION (EOF)

Mission Statement

The EOF was established as an independent nonprofit organisation to encourage and initiate strategies for change away from apartheid towards a normal nonracial and humane society in which there will be equality of opportunities. In working towards this goal, the EOF focuses on two major areas, namely education and development, and supports projects that have as a goal the empowerment of disadvantaged communities.

Background

The Equal Opportunity Education Fund and the Equal Opportunity Development Fund were both established in January 1986. The initial trustees resigned and simultaneously the donor appointed new trustees on the 2 April 1986 and they are still in office. In June 1987 the word "fund" was substituted by Foundation. These two foundations operate under the name of the Equal Opportunity Foundation (EOF).

Governance

The EOF is governed by an independent Board of Trustees that determines policy and approves grants. It is administered by the Executive Director and his staff.

Trustees

- G. Jakes Gerwel (Chairman), Vice Chancellor, University of the Western Cape.
- Allan Boesak, Moderator, N.G. Sending Kerk, and President, World Alliance of Reformed Churches.
- Arthur Chaskalson, National Director, Legal Resources Centre.
- Ernest J. Mchunu, Ernest J. Mchunu & Associates.
- Pali Mohanoe, Headmaster, Phuting (a NEST school).
- Yusuf Surtee, Director, Grays (Pty) Ltd.
- Alexander Thembela, Vice Rector, University of Zululand.
- Desmond Tutu, Archbishop of Cape Town, and President, All-Africa Conference of Churches.

Programme Goals

The major thrust of the Education Programme is to encourage and support educational institutions or community groups involved in innovative programmes that are also accessible to disadvantaged communities.

The EOF will support programmes that satisfy the following three goals:

- Firstly, creativity, initiative, critical thought, and self-confidence;
- Secondly, the programmes should cultivate a common humanity and pride in a common South African citizenship while simultaneously respecting the culture of fellow citizens; and
- Lastly, the programmes should engender concern and care for the community and society at large.

The major focus of the Development Programme is to empower disadvantaged communities so that all South Africans can participate fully in the life of a post-apartheid South Africa. To work towards this goal and as a priority the EOF will encourage and support community groups, organisations, educational institutions that identify effective strategies that strengthen and develop the resilience, self-reliance, and self-sufficiency of disadvantaged communities.

Programme Areas

EDUCATION:

Early Childhood Education

Grants: 1986: R238,000.00
1987: R137,000.00
1988: R600,183.00

The EOF will assist communities in establishing appropriate resources for early childhood education, so that they can provide their children with a stimulating environment in which they can develop their enquiring minds and creative skills.

Grants were made to Jack and Jill Preschool, Worcester; Stepping Stones Children's Centre, Cape Town; Vuyani Educare Centre, Wynberg, Cape Town; Khanyisa Educare Centre, Zwelithemba, Worcester; Cape Town and District Association for the Hearing Impaired; Belhar Preschool Association, Cape Town, whose purpose is to mobilize the community of Belhar in the quest for preschool facilities; the Early Learning Resource Centre, Athlone, Cape Town, an organisation that gives short training courses for preschool teachers; Grassroots Educare Trust, Salt River, Cape Town, an organisation that promotes preschool education in the Western Cape. In Natal support was given to Cebolenkosi Preschool, Umlazi, to provide indoor and outdoor facilities; the Kangaroo Road Playgroup, Federal Theological Seminary,

Pietermaritzburg; and St. Faith's Preprimary School, Durban. In the Transvaal grants were made to the Alexandra Montessori Preschool, Phodisha Ditshaba Preschool, Seshego and Osizweni Early Learning and Day Care Centre, Diepkloof.

Bursaries:

Grants: 1986: R 175,090.00
1987: R 417,078.00
1988: R1,025,719.50

To facilitate access to higher education, especially university education, the EOF made two types of bursaries available to students: ordinary bursaries that were administered by the Educational Opportunities Council (EOC) in Johannesburg and the Foundation for Peace and Justice in Cape Town; and emergency bursaries that were administered by the EOF. The latter grants were made in exceptional cases and only once to any one student; for instance, students who, for circumstances completely beyond their control (being in detention) were not able to apply to bursary-awarding organisations to continue with their studies.

People's Culture:

Grants: 1986: R108,000.00
1987: R 50,000.00
1988: R 90,000.00

In order to preserve and encourage the development of the rich culture of Africa and its adaptation into Peoples' Culture, the EOF has given support to various community-based art centres. Grants were made to the Community Arts Project, Cape Town; Performing Arts Workshop, Cape Town; New Africa Theatre, Cape Town; Sakhile Children's Art Project, Cape Town; and Fuba Academy, Johannesburg.

DEVELOPMENT:

Rural Development

Grants: 1986: R 66,000.00
1987: R231,000.00
1988: R 38,500.00

The EOF encourages and supports community projects that engender self-reliance and self-development. Hence support was given to the Capfarm Trust at Mdukatshani, a community project that involves the reclamation of denuded land and food production. Chipros in Worcester, Western Cape, was given support for community development projects and a children's feeding scheme in Zwelithemba. A grant was made to the Division of Special Relief of the South African Council of Churches, Johannesburg, for the people of Mogopa. The African Child Development Centre received a grant for nutrition education and vegetable garden clubs in Lebowa.

Primary Health Care

Grants: 1986: R40,600.00
1987: R25,000.00
1988: R44,500.00

The EOF gave financial assistance to community-based efforts to provide primary health care to the Child Health Centre in Worcester, the Alexandra Health Centre and University Clinic, and the Health Service Development Unit, Arcornhoek, to provide sanitary facilities for the community.

Community Resource Centres

Grants: 1986: R267,500.00
1987: R130,000.00
1988: R393,000.00

The EOF supported centres that provide career guidance and counselling to youth coming from disadvantaged communities and educational support for students.

Career Research and Information Centre in Cape Town, Career Centre in Soweto, and the Career Information Centre, Durban, provide a variety of services--career guidance, study skills, life skills, which are intended to help the youth to realise their potential. In addition to the above, the Wilberforce Community Resource Centre in Evaton (Vaal) will provide a study centre and tutorials for students who were not readmitted to schools. The Katlehong Khanya Organisation, Germiston, provides a study centre and tutorials for high school students in the area. A grant to the Phaahla Professional Association, near Jane Furse, Eastern Transvaal, made the establishment of a library facility for the community possible. The Community of the Resurrection, Grahamstown, was given a grant to build a multipurpose hall for the shanty town known as Sun City.

In order to promote creativity in teaching, a grant was made to the Sisters of Mercy Education Trust for a Media Centre and Activity Room at Mmakau, Rustenburg.

Nonformal Education and Skills Training

Grants: 1986: R467,736.00
1987: R320,000.00
1988: R499,338.63

The aim of supporting Nonformal Education and Skills Training is to encourage the acquisition of knowledge and skills so that disadvantaged communities can develop self-reliance, confidence, and the capability to adapt to a rapidly-changing world.

To this end, the EOF supported Promat College in Pretoria, which

provides tuition for adult students to attain the Senior Certificate; University Preparation Programme, Johannesburg, which was established as a result of the education crisis, prepares students for the senior certification; Project Literacy, Pretoria, was given a grant to promote literacy; the Orlando Children's Home and Twilight Centre received grants to provide shelter and education for children without a home. Streetwise, an organisation that rehabilitates streetchildren, received a grant. The Transvaal Association for Black Blind Adults, Johannesburg, was given support for educational facilities for the blind; the South African Black Social Workers Association, Soweto, received a grant for youth leadership programme.

Skotaville Publishers, Johannesburg, which aims to be the literary voice of black South Africa, was given a grant to promote the general educational and cultural aspirations of the black community and to publish a biography of Nelson Mandela. Seriti Sa Sechaba Publishers, Johannesburg, is attempting to return the woman, the mother, to her rightful place as the educator and the cultural resource of the nation. A grant was made towards the attainment of this noble and urgent task. The South African Rugby Union was given a grant for their education support programme; while the South African Allied Workers Union, Cape Town, received support for their training programme. The Journalist Training Programme received a grant.

The Interchurch Education Programme, Johannesburg, received a grant for their secretarial training programme. The Mission of the Churches for Community Development, League of Friends of the Blind, both in Cape Town, the Rivoni Society for the Blind, Louis Trichardt and the Mamelodi Cripple Care Association, Pretoria; Koinonia, in Durban, were given support for their skills training programmes. The Mamelodi Itsoseng Feeding Scheme, Pretoria, received a grant for their nutrition education programme and self-help scheme. A grant was made to establish the Takalani Home, in Soweto, for mentally-handicapped children. The Cape Teachers Professional Association received support for their alternative education programme. Northern Cape and West Transvaal Council of Churches received a grant for their tutorial programme for students who could not be readmitted to government schools and for their secretarial training programme. A grant was made to the Community Education Trust to plan a nonformal education programme in the Vaal.

Projects of Educational Institutions with a Clear Community Content

Grants: 1986: R155,000.00
1987: R275,000.00
1988: R330,099.00

The EOF made grants to educational institutions to encourage them to utilise some of their resources to the benefit of disadvantaged communities. There must, however, be full participation by disadvantaged community organisations in the planning, management, and implementation of the educational programmes.

As this policy was developed, a grant was being made simultaneously to Woodmead School for a community centre. University of Cape Town, Institute of Criminology, received a grant for the training of community persons who acted as intermediaries between the communities in the Western Cape and the attorneys. The University of the Western Cape Resource Centre was given support to improve the performance of university and high school students in mathematics and science by the use of computer-aided education. The University of Natal received grants for the teacher upgrading programme; the Mboza Village Education Centre, which uses educational media to support students and teachers and provides information for the community, to support the community development programme; the establishment of the Mdukatshani Learning Centre and assisting with planning and producing educational materials for the adult education programme.

Grants were made to the University of the Witwatersrand for the Mulderdrift Clinic, a project of the Wits Medical Students, for the training of community health workers; the Wits Law Clinic, to render a service to members of the University and the public who cannot afford the services of private practitioners and provide practical legal training for law students. It is also intended that the service of the law clinic will be extended so as to obtain accreditation for the training of articled clerks especially for disadvantaged law graduates, the majority of whom are African; the Wits Division of Specialised Education, to enable it to respond to a request from the Community Education Trust to work closely with Transvaal Union of African Teachers in order to encourage creative teaching; the Wits School of Social Work to assess social services rendered by nongovernmental organisations. The Technikon Northern Transvaal received a grant to enable the Students' Representative Council to organise a winter school.

Community-Based Legal Service Projects

Grants: 1986:
1987:
1988: R50,750.00

A grant was made to the King Unit, King Williams Town, Eastern Cape, to establish an Advice Centre.

Contact

Professor John Makhene
Executive Director

Postal address:

P.O. Box 31485
Braamfontein 2017
Republic of South Africa
(011) 403 4310/3
Fax: 011 403 4310

Physical address:

Devonshire House
49 Jorissen Street
Braamfontein

FORD MOTOR COMPANY-SPONSORED COMMUNITY TRUSTS

Background

Ford Motor Company of Canada owned 42 percent of South African Motor Corporation (SAMCOR) until its disinvestment at the beginning of 1988. Anglo-American owned the balance. The company at the time of disinvestment established four trusts. One is the Trust for Educational Advancement in South Africa, to which Ford Motor Company of Canada gave four million dollars; and two others are the Algoa Bay Charitable Trust in Port Elizabeth and the Pretoria Development Trust, to which the Company gave two-and-a-half million dollars each. (To the fourth, the SAMCOR Employees Trust, Ford donated a 24 percent equity stake in SAMCOR; and that trust will receive the corresponding dividends accruing to that equity.) The Company also donated one-half million dollars to the Legal Resources Trust in Johannesburg.

TRUST FOR EDUCATIONAL ADVANCEMENT IN SOUTH AFRICA

Mission Statement

The Trust for Educational Advancement in South Africa (TEASA) was established for the purpose of making a contribution towards socio-political and economic change in South Africa by advancing the educational level of those who have been deprived of equal access to educational opportunity in South Africa. In our vision of a nonracial democratic South Africa, the quality of education, its accessibility to the people, and its control by the people of South Africa have a crucial role. TEASA is committed to supporting those projects that promote change towards a nonracial and democratic South Africa and those projects that are searching for models to enhance the quality of education received by those who have been discriminated against, as well as those projects that are aimed at expanding accessibility of education to the largest possible number of people and put a significant amount of control of education in the hands of the community.

Priorities for Funding

TEASA will fund as a matter of priority those projects that:

- Address developmental needs through education; for example, those that promote science and technology;
- Provide educational needs that are not catered for in a given community or are innovative;
- Search for innovative educational alternatives to the present unacceptable system of education in South Africa.

Criteria for the Selection of Projects for Funding

Any project submitted for funding shall be judged on the following criteria:

- Does the project promote the ideals set out in the mission statement above?
- Does the project in any way advance the educational level of a disadvantaged community?
- Does the project provide an educational service that is not provided by any other structure, or a service that is in short supply, or one to which the community has limited or no access?
- Does the project expand the accessibility of education to the community; i.e., does it have the capacity to spread to a large number of people in the community?
- Does the organization running the project enjoy the support of the community; i.e., does it have credibility in the community?
- Does the organization running the project have community participation in its control?
- Is the project innovative?

Bursaries

Bursaries shall be given on the following conditions:

- Bursaries shall normally be granted through educational organisations or institutions; i.e., TEASA shall not consider individual applicants, except under the Special Educational Assistance Fund described below;
- A Special Educational Assistance Fund for direct victims of the South African political system shall be set up as resolved by the board on February 3, 1989;
- TEASA shall, from time-to-time, choose institutions that, in the view of the trustees, promote the ideals stated in the mission statement above as conduits for bursaries. When an institution has been chosen as a conduit of TEASA bursaries, the number of bursaries and the value of each bursary shall be set by TEASA. Further, the criteria for the selection shall, however, be done by the institution appointed to give the bursaries, provided that reports on individual students will be made available to TEASA.

Further Guidelines

The following activities will be among those supported by TEASA:

- Career guidance programmes;
- Supplementary tuition programmes;
- Curriculum development programmes;
- Teacher upgrading programmes;
- Educational research;
- Educational leadership programmes.

Capital expenditures on buildings, the so-called "bricks and mortar" projects, will not be funded by TEASA.

General running costs for organisations shall not be funded.

Trustees

- Fanyana Mazibuko, University Preparation Programme.
- Fikile C. Bam, Legal Resources Centre.
- Sylvia Moeno.
- M. Stanley Mogoba, Methodist Church of South Africa.
- Lebamang John Sebidi, Funda Centre.
- Randall van den Heever, Spes Bona High School.

Contact

Fanyana Mazibuko
P.O. Box 32715
Braamfontein 2017
011 339 1655
Fax: 011 339 1625

ALGOA BAY CHARITABLE TRUST

Mission Statement

The Algoa Bay Charitable Trust was formed during May 1988 with funding from the Ford Motor Company of Canada. The aim is to promote educational and community activities for the benefit and development of the Port Elizabeth public.

Trustees

Eight independent trustees will eventually administer the Trust. Half of their number will be SAMCOR employees or their chosen representatives and the other half from ordinary residents within the community.

At present, however, the Algoa Bay Charitable Trust is still under the control of interim trustees.

It is expected that the Trust will be fully operational towards the end of 1989.

Contact

The contact address from which further enquiries may be made is:

Advocate Fikile C. Bam
Director
Legal Resources Centre
P.O. Box 2669
North End 6056
Port Elizabeth
(041) 549 905/9
Fax: 041 560 106

PRETORIA DEVELOPMENT TRUST

Introduction

The rapidly changing environment in South Africa has made it imperative that we streamline our community manual. The contents of this document clearly demonstrate our determination to contribute significantly to community initiatives that aim to develop the human potential within South Africa's underprivileged communities in our area of operation, in that way earning the Pretoria Development Trust the right to take its rightful place in a post-apartheid society.

Basis for Existence

The Pretoria Development Trust was founded in 1989, with funding from Ford Motor Company of Canada, as an organisation for improving the quality of life and for change in South Africa, responsible for economic empowerment, community action, and charitable and ecclesiastical purposes of a public character for the communities of the Pretoria region.

Policy

The policy of the Pretoria Development Trust is to support or promote initiatives that, in its judgment, will have an impact on the current structures of the South African society and help South Africa develop into a nonracial democratic South Africa.

Operating Principles

The Pretoria Development Trust operates by the following principles:

- We support organisations that are exempt from income tax, donations tax, and estate duty;
- We do not want to be the only funder of a project. We want the level of funding to reduce over a reasonably short period. This implies that we will disengage from projects over time;
- We will not fund ongoing fixed costs of community projects. Where appropriate we will assist with bridging finance;
- We want to be active in communities on an inclusive rather than exclusive basis. We want to create a partnership with communities, the Trust, and other relevant agencies;

- We will only give funds to organisations that provide direct services to the community;
- We will only support projects that are accepted by the community at large;
- Vehicle donations will be made only to organisations that transport the physically disabled and appropriate educational programmes;
- Our main objective is to fund strategic models that will empower people and communities to influence their own future and/or organisations that provide direct services to the community;
- Projects we fund will have a strong human development element;
- Projects we fund will be in line with our focus areas. We will not fund individual churches, schools, and individuals.

Key Focus Areas

Education:

Preschool education; arts and drama programmes; maths/science special programmes; special schools for the handicapped; day care centres/recreation facilities; technikons and universities; teacher training and development; placement programmes.

Supplementary Education Projects:

Programmes developing individuals; career guidance; youth community service programmes; rehabilitation programmes; support programmes for university and high school students (i.e., upgrading, classes for certain skills, study skills, winter school, sex education, youth leadership programmes, exposure programmes, educational tours).

Health care:

Preventative care programmes; health education programmes, including research; care of the aged/mentally retarded programmes.

Business/Economic Empowerment Development Programmes:

Job creation programmes (formal and informal sector); business and entrepreneurial skills development; market development; resource development; and environmental development.

Community Self-Sufficiency Projects:

Sheltered employment programmes; cottage industries; natural disasters; and crisis intervention/correction/counselling programmes.

International and Technical Contact:

The need for international contact to sharpen and enhance scientific skills cannot be overemphasised. We hope to fund professional people and/or students who need to travel overseas for appropriate conferences and/or seminars.

Bridge-Building Programmes:

We will support bridge-building programmes administered by organisations with good credentials. Our requirements are easy community access to programmes; professional administration of project; programme evaluation outline.

Leadership Development Programmes:

We will support leadership development programmes committed to the development of leadership in the field of business, education, community, and society. Our requirements are easy community access to programmes; professional administration of project/well-defined advancement programme; programme evaluation outline.

Women's Development and Advancement Programmes:

The need for women's development and advancement in our changing society cannot be overemphasised. We hope to find organisations committed to the advancement and development of women in all aspects of life, including family enrichment programmes.

Family Enrichment and Development:

We will support leadership development programmes committed to the development of leadership and advancement of family enrichment programmes in all aspects of family advancement.

Research on Internal and External Programmes:

The need for creating a sound and reliable database to sharpen and enhance the knowledge on issues pertaining to human development cannot be overemphasised. We will fund professional people or organisations undertaking research to satisfy such a need.

Trustees

- David Motlatla.
- Elizabeth Mokotong.
- Sylvia Moeno.
- Freddie Mohlaka.
- Jennifer Kinghorn.

Contact

David Clement Motlatla
P.O. Box 77459
Mamelodi West 0101
(012) 834 191 or 835 251
Fax: 012 803 8024

HEXAGON TRUST

Mission Statement

To benefit black South Africans in education, business, and community development.

Background

Union Carbide is dedicating dividends from its remaining South African investments to a permanent fund, administered by a board of trustees composed predominantly of black South Africans representing education, civic, and business interests seeking constructive change in South Africa. Dividends dedicated since 1987 exceed \$5 million.

Trustees

- Robert J. Hart (Chairman), UCAR Carbon Company Inc.
- M. Nathaniel Mkhaza, businessman.
- Mike Morphet, Waste Tec.
- Peter Motale, transportation fleet owner.
- Mervyn Ogle, Anglo-Vaal English Language Project.
- Joyce Siwani, University of the Witwatersrand.
- Paulus Zulu, University of Natal.

Objectives

To further the education of black students at the tertiary level and to enhance community development and black business enterprise.

Program Areas

- The Bursary "Hexagon Scholars" Program, which provides mentoring and scholarship and support funds to over 104 black students at eight "mixed race" South African universities, as well as teacher training colleges and technikons.
- The Community Development Program, which provides grants to children's organizations, daycare programs, and advice and guidance centres.
- The Ronnie Madonsela Scholarship Program, which provides scholarships to jazz music students.

- A planned Hexagon Business Trust, which will provide loans and support to black businesses.
- A teacher's center under consideration, which will work to improve teachers' leadership skills, confidence, and training.

Contact

Professor Leslie E. Peters
Executive Director
Albany House, corner Albany Grove and Victoria Embankment
Durban 4001
031 307 4047
Fax: 031 307 4048

HUMAN RESOURCES TRUST (HRT)

Mission Statement

The Human Resources Trust, an independent charitable trust registered in South Africa, is committed to a democratic South Africa where there is justice for all irrespective of race, gender, and creed. As a response to the inequalities that exist in the country, the Trust aims its activities at the needs and aspirations of black South Africans.

Background

The Trust was founded in 1987 by the Xerox Foundation, following Xerox disinvestment.

The Xerox Foundation has undertaken to grant one million dollars a year for the five years 1988 to 1992.

Trustees

The Trust is administered by a Board of South African trustees. They are:

- Griffiths Zabala (Chairman), Wilgespruit Fellowship Centre.
- Brian de L. Figaji, Peninsula Technikon.
- Karl B. Hofmeyr, Unisa.
- Don Ncube, Anglo-American Corporation.
- Lebamang John Sebidi, Funda Centre.
- Professor Ratnamala Singh, University of Durban-Westville.

Objectives

The Trust's objective is to contribute towards enabling black South Africans to participate fully in the social, political, and economic life of the country.

The Trustees endeavor to achieve this objective by encouraging and supporting appropriate and relevant education, training, and developmental programs, projects, schemes, and initiatives that develop the potential of black South Africans.

Program Areas

The Trust has not identified specific program areas for support. It bases the selection of programmes and projects for assistance on a number of criteria:

- Activities that are part of the process leading towards a post-apartheid society and that do not perpetuate the "status-quo."
- Activities that are controlled by the client community and that show potential towards self-help, self-reliance, and self-development.
- Activities that make use of the existing network of skills and knowledge and that feed back into that network.
- Activities that have a multiplier effect.
- Activities that demonstrate innovative approaches to social change and development.

The Trust does not grant bursaries or study loans and will not usually provide funds for buildings or equipment.

Contact

The Executive Director
Human Resources Trust
P.O. Box 32201
Braamfontein 2017
011 403 1431
Fax: 011 403 1432

IBM SOUTH AFRICA PROJECTS FUND

Mission Statement

The IBM South Africa Projects Fund is a \$15 million, five-year grant program to provide assistance to South African blacks.

Background/Objectives

In 1985, IBM announced \$15 million in grants over five years to improve black education, to foster black enterprise, and to work for legal reform in South Africa.

Structure/Operation

The IBM South Africa Projects Fund was established by IBM in 1985 and is a private, charitable organization, incorporated in Delaware, and based in Armonk, New York. It is supervised by a three-member Board of Directors, comprised of IBM executives from the personnel, legal, and financial functions.

The mission of the Projects Fund is accomplished through the granting of funds and IBM equipment to grantees in South Africa and the United States.

Program Areas (Grantees)

- Education:

Writing-To-Read is a computer-based instruction system designed to teach children how to write what they can say and read what they can write. The Projects Fund has established this program in 49 schools in South Africa.

Africare, a nonprofit organization based in Washington, began an internship program for black South African college students in the United States in early 1989. The Projects Fund directly funded this program.

- Economic Development:

Black Builders Loan Program provides revolving loans to small, black builders who could not obtain financing through conventional channels.

Institute of Natural Resources (INR) is a department of the University of Natal that trains rural black farmers in techniques to increase their commercial productivity.

- Legal Reform:

Legal Resources Centre (LRC) provides legal advice and counsel to underprivileged blacks in South Africa.

Contact

R. Clifford
Program Manager
IBM Corporation
Old Orchard Road
Armonk, New York 10504
(914) 765 5040
Fax: (914) 765 4190/4191

MEDTRONIC AFRICA TRUST

Mission Statement

The company believes that all people, regardless of race, religion, or politics, should have access to life-sustaining medical devices. It also believes that lives of people of color in South Africa can be improved through medical and health education. The Medical Education Trust will work effectively toward both of these goals.

Background

In May 1988, Medtronic divested its South African sales office and sold its South African subsidiary to an independent Trust. Funds for the Trust will be provided from the funds the Trust obtains from the distribution of Medtronic medical devices to people of all races in South Africa. At least fifty percent of the after-tax South African profits from the sale of these devices will be used by the Trust. The balance of the profits will be applied toward the purchase of the stock of the distributorship.

Trustees

- Daniel Luthringshauser (USA).
- Allan Howard (Europe).
- Stonehage (Guernsey) Limited (Channel Islands).

Local Advisory Committee

(To be advised.)

Objectives

To provide funds for medical and health education to black undergraduate and postgraduate physicians and nurses in South Africa.

Program Areas

- Disciplines for medical and health education include cardiology, cardiothoracic surgery, neurological stimulation, and peripheral vascular diseases.

Contact

Bruce Richards
Manager

Postal address:

P.O. Box 75172
Complex
Gardenview 2047
2nd Floor
011 616 2334/5/8
Fax: 27 11 616 1104

Physical address:

Eastgate Shopping
Eastgate Office Tower,
Bedfordview

MOBIL FOUNDATION

Mission Statement

The Foundation is governed by a Board of Trustees and has two Subsidiary Boards, one in Education and the other in Business and Community Action. In its operations the Foundation strives for the effective integration of its diverse activities.

The Education Board aligns itself with the related developmental goal of greater social and economic equity for the poorest members of society. This involves the board in a holistic approach to investment in education--an approach that relates education to other structures of society. The Education Board believes that a new, unitary, nonracial, democratic education system is needed in South Africa.

The Business and Community Action Board operates as two units. The Business Development Unit aims to enable empower persons aspiring to business careers to compete equally and successfully with established South African business people at all levels by developing their management and technical skills and by providing business expertise and knowledge of how to gain access to finance. The Community Action Unit's mission is to promote equity and a nonracial democracy in South Africa and to change fundamental structures that, to a large degree, determine the material opportunities, and political influence of blacks.

Background

The Mobil Foundation was formed in September 1986 as an organization for change in South Africa. The independence of the Foundation from the Mobil Oil Southern Africa (Pty) Ltd., which donated R40 million to fund it, is absolute. It was established to support and develop programs and any other activities that will, in its judgment, have an impact on the current structures of South African society and help South Africa develop into a nonracial, democratic society based on the principle of freedom of association.

Trustees

Foundation Trustees:

- Franklin A. Sonn (Chairperson), Peninsula Technikon.
- Joe M.S. Latakgomo (Vice Chairperson), "The Star," Johannesburg.
- Hermann B. Giliomee, University of Cape Town.
- B.L. Hurt (Director), Mobil Oil South Africa (Pty) Ltd.

- M. Obed Kunene, ex-Policy Director, Urban Foundation.
- Robin H. Lee, University of the Witwatersrand.
- Deborah M. Mabiletsa, Urban Foundation.
- W. Erroll Martin, Director, Mobil Oil Southern Africa (Pty) Ltd.
- Merlyn C. Mehl, University of the Western Cape.
- Edwin M. Ncula, Volkswagen.
- Lawrence Schlemmer, University of the Witwatersrand.
- David J. Welsh, University of Cape Town.
- P.W. (Paddy) Wilson, ex-Chairman, Mobil Oil Southern Africa (Pty) Ltd.

Education Board

- Merlyn C. Mehl (Chairperson), University of the Western Cape.
- Cecil J. Leonard (Vice Chairperson), University of the Western Cape.
- Kenneth B. Hartshorne, University of the Witwatersrand.
- Patrick J. Pasha, Interdenominational Ministers Association of South Africa.
- Grace M. Qunta, social worker.
- Alexandra J. Thembela, University of Zululand.
- Ramoshebi I.M. Moletsane, University of the North, QwaQwa.

Business and Community Action Board

- Joe M.S. Latakomo (Chairperson), Senior Assistant Editor, "The Star," Johannesburg.
- Brian de L. Figaji (Vice Chairperson), Peninsula Technikon.
- B.L. Hurt, Vice Chairperson, Mobil Oil Southern Africa (Pty) Ltd.
- Hermann B. Giliomee, University of Cape Town.
- M. Obed Kunene, ex-Policy Director, Urban Foundation.
- D. Landingwe, Zimele Transformation Centre, Philippi.

- Robin H. Lee, University of the Witwatersrand.
- Deborah M. Mabiletsa, Urban Foundation.
- W. Erroll Martin, Director, Mobil Oil Southern Africa.
- Z.Z. Mashao, Pretoria Business Development Unit.
- Edwin M. Ncula, Volkswagen.
- Grace M. Qunta, social worker.
- Lawrence Schlemmer, University of the Witwatersrand.
- David J. Welsh, University of Cape Town.
- P.W. (Paddy) Wilson, ex-Chairman, Mobil Oil Southern Africa.

Objectives

The Education Board's objective is to promote equality of opportunity with respect to educational access, funding, and services.

The Business and Community Action Board's Business Development Unit's objective is to enable everyone to compete equally within an economic environment free of artificial and bureaucratic restriction. The Community Action Unit's objective is to help develop community power bases, to strengthen socio-political leadership, and to build grassroots coalitions.

Program Areas

Education Board:

- Adult and nonformal;
- Bursaries;
- Curriculum development;
- Preschool provision;
- Teacher development;
- Small projects.

Business and Community Action Board

- Rural and agricultural projects;
- Income generation;
- Urban community work;
- Business development (resources, markets, entrepreneurial, and environmental);
- Other projects.

Contact

Michael Ashley
Senior Manager
No. 2 Long Street, 13th Floor
P.O. Box 2306
Cape Town 8000
021 403 4290
Fax: 021 403 4067

MUSIC SHAREHOLDER TRUST

Mission Statement

To enhance black music culture and to benefit black musicians and recording engineers.

Background

Tusk Music Company (Pty) Ltd. was established in South Africa in 1976 as a nonracial organization, under the name of WEA Records (Pty) Ltd. It was a wholly-owned subsidiary of WEA International Inc., with Warner Communications as the ultimate holding company. In 1986, Warner Communications chose to divest its business within South Africa and the shares of the company were bought out by existing key management and staff. Tusk Music Company sponsors two trusts--one for employees and the Music Shareholder Trust, for which accumulated profits will be used (by June 1989, 1/4 million rand).

(As this report goes to press, the Music Shareholder Trust is in negotiations with another local organization to develop a joint project; however, it is unlikely that the Trust's original mission will change.)

Trustees

These trustees are founding trustees and will be changed in due course:

- Derek Hannan, Tusk Music Company (Pty) Ltd.
- William Lane, Bell, Dewar and Howell.
- Dudley King, Arthur Young and Company.

Contact

Mike Oldfield
Managing Director

Postal address:

P.O. Box 17356
Johannesburg 2038
011 484 3916
Fax: 011 642 7018

Physical address:

26 Wellington Road
Parktown 2193

SOUTH AFRICAN GE EDUCATIONAL TRUST

Mission Statement

To continue a program of charitable giving for the benefit of members of the public to assist in improving the education of persons who are underprivileged, indigent, or otherwise deprived or whose communities have a history of such deprivation.

Background

Genwest Industries bought out South African General Electric in 1986. In March 1986 General Electric Foundation Inc. donated one million rand to the South African GE Educational Trust. The grant was to be used either for making direct gifts to organizations or to acquire investments, the income from which would be used to support such charitable and educational organizations. Certain Genwest Industries directors continue to act as Trustees and to provide administrative services.

Trustees

- James G. Douglas (Chairman), Genwest Industries (Pty) Ltd.
- Leon Steenkamp, Genwest Industries (Pty) Ltd.
- Peter W. Massie, Genwest Industries (Pty) Ltd.
- William W. Hamilton, General Electric (USA).
- Jennifer G. Kinghorn, Solon Trust (Pty.).
- William T. McCollum, General Electric (MEASA).
- Peter M. Robinson, General Electric (MEASA).

Objectives

- To provide finance and support for the education of members of the public from preprimary to post-graduate level;
- In furtherance of the foregoing to provide grants, loans, bursaries, and endowments for educational purposes including travel expenses, subsistence costs, costs of administration and equipment, accommodation, and other expenses incidental to or connected with the acquisition and provision of education to such persons, living in South Africa, as in the opinion of the trustees require and deserve such assistance;

institutions, societies, organisations, or associations of a public character in the Republic of South Africa that provide or assist in the provision of education, which are themselves exempt from liability for the payment of income tax, donations tax, and estate duty.

Program areas

- Secondary school upgrading.
- Adult education centres.
- Teacher training.
- Bursaries at the tertiary level to institutions like MEDUNSA, Unizul, Wits, UCT, and UWC.

Contact

Leon Steenkamp, Employee Relations/Human Resources

Postal address:

Genwest Industries
P.O. Box 5031
Benoni South 1502
011 528 111
Fax: 011 892 2515

Physical address:

#1 Van Dyk Road
Industrial Sites
Benoni

Section II: Examples of Other Trust-Related Mechanisms

A FOREIGN COMPANY'S TRUST: VOLKSWAGEN

The VWSA Community Trust was established in 1988 with a view of acting as a catalyst that will promote community development through self-development in the Western Cape and Katlehong areas, where Volkswagen (S.A.) operates. The grant to run the activities of the Trust was made available by Volkswagen AG. The mission statement of the Trust is: "We are responsible to the community; we will work in partnership with the community in order to identify needs and create opportunities for self-help development; we will use all available resources to create a better quality of life and greater harmony and pride in our community."

The Trust has been established to support, develop, and implement programmes and other activities that will, in its judgment, impact on the current structures in the Eastern Cape society and help the area develop into a nonracial, democratic society. The selection of trustees is critical to the success of the Trust. These trustees have been drawn from VWSA's management, the two trade unions operating at VWSA (NUMSA and Iron & Steel), and VWSA employee representatives. Contact: Edwin Ncula, Community Relations Manager, Algoa Road, Uitenhage 6230, P.O. Box 80, Port Elizabeth, (0422) 944 399, Fax: (0422) 263 55.

AN EMPLOYEES' TRUST: DELTA MOTOR CORPORATION

Delta Motor Corporation (formerly General Motors) has plans through which its own employees will share in the financial success of the company. These plans have not been fully defined, but Delta is looking at mechanisms that would provide a range of benefits, including, perhaps, housing and educational assistance, as well as other general benefits that will be based on qualifying criteria. Delta's ability to provide these benefits will depend on the growth and profitability of the company, and the extent to which funds can be channeled after business priorities have been met. Contact: George F. Stegmann, Delta Motor Corporation, P.O. Box 1137, Port Elizabeth 6000, (041) 433 109, fax: (041) 436 043.

AN EVOLVING TRUST: CONTROL DATA CORPORATION

Control Data Corporation is in the process of establishing a not-for-profit company whose purpose will be to contribute funds to initiatives in which Control Data was previously involved--education and community development. Contact: Judith Alnes, Vice President, Control Data Corporation, 8100 34th Avenue South, Minneapolis, Minnesota 55440, (612) 853 6016; fax: (612) 853 5300.